



Artificial Reef Funding Grant Programs

August 27th, 2013

Funding Source and Uses

- RS 56:578.15
 - Authorized LDWF to establish a “quality” certification program for Louisiana wild seafood products, including wild caught shrimp.
 - May establish standards for harvest requirements, post-harvest refrigeration requirements, quality standards, handling practices, traceability, branding and branding registrations, recording requirements, compliance standards, and packaging regulations.
 - Program currently requires all previously existing regulations to be followed and certifies WILD ORIGIN.
 - LDWF hopes to eventually add PREMIUM labels to program that have additional quality requirements.



Funding Source and Uses

- RS 56:639.8 (2)
 - Dedicated 10% of funds deposited into Artificial Reef Fund
 - may be used by the department to provide funding in association with the wild seafood certification program, **particularly in support of wild-caught shrimp**
 - funding may be used for a subsidy granted to seafood harvesters or processors to **assist in their efforts to comply with the certification program requirements**
 - Key factor here is eligible use of funds
 - Any grant program must be tied to the certification program



Current Funding Status

	NEW BUDGET	AMT CARRIED FORWARD	TOTAL BUDGET
FY11	\$ 860,000	\$ -	\$ 860,000
FY12	\$ 880,000	\$ 860,000	\$ 1,740,000
FY13	\$ 860,000	\$ 1,740,000	\$ 2,600,000
FY14	\$ 900,000	\$ 1,752,899	\$ <u>2,652,899</u>

- Since FY 2011 - \$3.5 million allocated to date
- \$2.6 million currently available in LDWF budget
 - Unable to carry forward full amount into FY 2014

DELAYS

- Funding tied to certification program – Launched Oct. 2012
- First grant program launched Oct. 2012
- Very few certification program requirements that immediately require funding
- Seeking industry input on potential uses

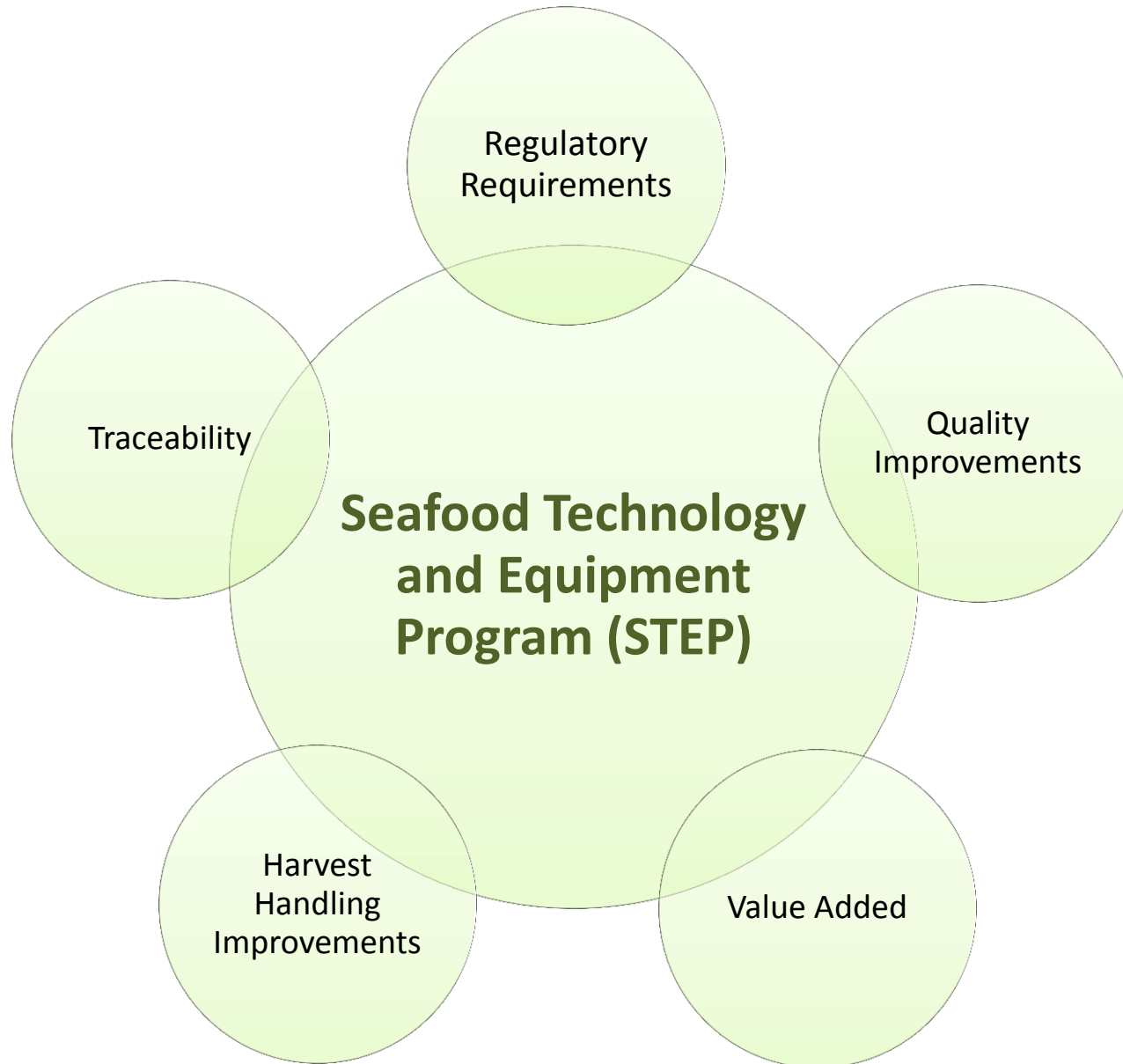


Primary Program Objective

- TIMING IS CRITICAL - to maintain as much of the fund balance as possible
 - We must encumber or expend the funding this FY
 - We must be ready to expend future funds within the same FY
- We can accomplish this by offering continuous multiple grant program opportunities concurrently.
- Establish an ongoing, continuously open grant program that utilizes available funding and creates a waiting list that can utilize new funding immediately.
- Unofficially dubbed the Seafood Technology and Equipment Program (STEP)



STEP will encompass 5 major categories of grants which are related to the seafood certification program



Where are we right now?

Oyster Refrigeration Program

- Immediate need that met a regulatory requirement falling under seafood certification
- Offers \$10,000 in reimbursement assistance for installing a refrigeration system inspected to meet FDA requirements
- Open to Oyster Vessels only
- 100 potential applicants initially identified
 - Program paid 12 applicants - \$76,330.28
 - Additional 38 applicants have requested \$331,194.67
 - Averaging \$8150.50 per applicant



Health Compliance Program

- Immediate need that meets regulatory requirement directly related to seafood certification
- Offers \$10,000 in reimbursement assistance to obtain a LDHH health permit or correct an LDHH identified deficiency
- Open to any LWSCP dock or processor needing DHH permit
- Currently 43 potential docks and processors identified
 - 4 currently do not have DHH permits
 - 39 currently have DHH permits
 - must be identified by DHH to have a health code issue
 - Or must have obtained DHH permit for LWSCP



Health Compliance Program

- LDWF is ready to move on this TODAY
- Every aspect of this program has been developed and is ready for announcement.
- Immediate need to meet Jan 1. deadline
 - May need to recommend rule change to extend the date



Where are we going ? - Regulatory Requirements

Shrimp Industry Programs Global Food Safety Initiative (GFSI) inspections

- Provides indirect benefits to the LWSCP program that could be tied to future quality requirements
- Offers \$20,000 in reimbursement assistance to obtain GFSI inspection and facility improvements needed for compliance
- Open to all LWSCP participating shrimp facilities wishing to obtain GFSI certification
- 20 potential applicants based on currently participating LWSCP shrimp processors
- Needs further development



Where are we going ? – Quality Improvements

Shrimp Industry Programs On-board refrigeration equipment

- Provides indirect benefits to the LWSCP program that could be tied to future quality requirements
- Offers \$10,000 (could be more) in reimbursement assistance to obtain on-board refrigeration equipment
 - Chillers, Freezers, Ice Makers, etc.
- Open to all Louisiana licensed shrimp vessels
 - No LWSCP permit requirements for fishermen
- Several thousand potential applicants
 - Possibility of additional eligibility criteria
- Needs further development



Where are we going ? – Quality Improvements

Shrimp Industry Programs Increasing Ice Availability

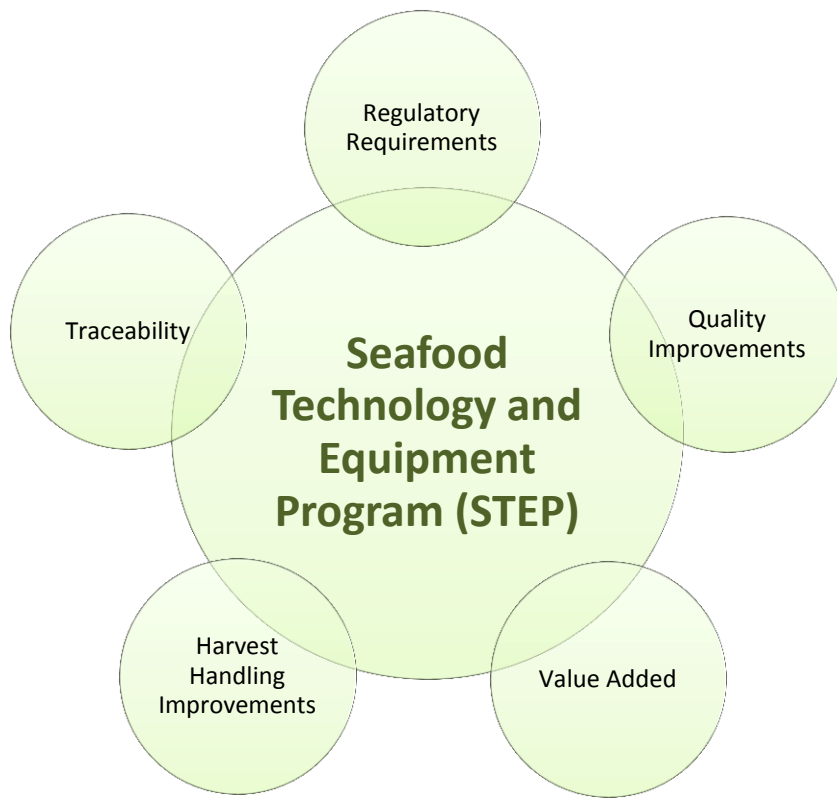
- Provides indirect benefits to the LWSCP program that could be tied to future quality requirements
- Reimbursement assistance to increase dockside ice production
 - Reimbursement amount would need to be very high
- Open to all LWSCP shrimp docks
 - Needs additional eligibility or prioritizing criteria
- 15 potential applicants based on currently participating LWSCP shrimp docks
- Needs extensive development



Funding Breakdown

<u>Program</u>	<u>Participants</u>	<u>Max Reimbursement</u>	<u>Total</u>
Oyster Refrigeration	50	\$10,000	\$407,525
Health Compliance	43	\$10,000	\$430,000
GFSI Inspections	20	\$20,000	\$400,000
On-board Refrigeration	?	\$10,000	
Ice Availability	15	?	
Total			\$1,237,525
Remaining			\$1,415,374
Shrimp Specific Total			\$1,815,374
			68.40%





- Create an over-arching grant program to utilize the annual allocation of funding
- Maintain waiting lists of applicants for current programs that can be funded immediately

- Develop new programs that meet industry and LWSCP needs
- Maintain an emphasis on the shrimp industry
- Develop a web based grant management system to serve as a one stop shop for applicants wishing to apply and track the status of their grants

